

New Study Exposes Failure in Wal-Mart's Auditing Program, Finds Sweatshop Conditions in Bangladesh Factory

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Contact: Bjorn Claeson, 207-262-7277
Interviews and Photographs available upon request

Wal-Mart promises new "model" factory

Today's Business Week.com story entitled, "[Wal-Mart Supplier Accused of Sweatshop Conditions](#)," cites a new study, which exposes the failure of Wal-Mart's auditing program in a Bangladesh factory. The factory, that produces Wal-Mart children's wear in sweatshop conditions, forces workers to lie about working conditions to Wal-Mart inspectors, thereby avoiding any scrutiny from the company.

Furthermore, Wal-Mart itself has attempted to shield the report from public view. According to Business Week, "Wal-Mart acknowledges that it urged SweatFree Communities several times not to publish its report."

According to the study, "[Sweatshop Solutions? Economic Ground Zero in Bangladesh and Wal-Mart's Responsibility](#)," the factory forces workers to toil marathon 19-hour shifts from 8 am to 3 am in order to finish Wal-Mart orders with tight deadlines. "If any worker declines overtime, management harasses him or her mentally or physically," says Elina, a 22-year old factory helper. The report recounts one incident of a pregnant worker, who was refused leave, and forced to deliver her child inside the factory.

"In response to this report and pressure from our organization, Wal-Mart promises action to make this factory a model for others in Bangladesh," said Bjorn Claeson, Executive Director of SweatFree Communities, a worker rights organization that authored the report. "We welcome Wal-Mart's intervention. As one of the most powerful companies in the world with enormous presence in Bangladesh Wal-Mart could have a dramatic positive impact. But the company should recognize that its own low price demands and just-in-time production system is the root cause of sweatshop conditions. To bring about substantive changes in this factory and others, Wal-Mart must be willing to change its own demands."

To pass Wal-Mart audit inspections, the factory regularly forces workers to lie to inspectors. Ritu, a 25-year old sewer, explains, "They always prepare us. Some supervisors ask us to forgive them and they also ask all the workers to wear proper dresses. The day when the Wal-Mart representative comes to visit everything changes in the factory. They behave with us like children, as if they don't know anything."

Adds Parmita, a 22-year old sewer, "If we complain, the next day we will lose our job. So nobody opens their mouth." Parmita is one of several helpers interviewed who earns only \$20 per month, below the legal minimum wage. The study estimates the cost of adequate nutrition for one person to be \$27 per month.

This report is not the first time Wal-Mart has been exposed for its ethical sourcing problems. According to the Businessweek "Wal-Mart has taken positive steps on environmental and sustainable issues, but when it comes to working on issues that question its purchasing practices or where its way of doing business would have to change, that's where things hit a wall." story, Ruth Rosenbaum, executive director of CREA, a Hartford-based socioeconomic research center that focuses on human and labor rights, said "Wal-Mart has taken positive steps on environmental and sustainable issues, but when it comes to working on issues that question its purchasing practices or where its way of doing business would have to change, that's where things hit a wall."

"This report once again shows Wal-Mart's failed commitment to ethical sourcing," said Stacie Lock Temple, Sr. Director for Strategy and Communications for Wal-Mart Watch, a watchdog organization that monitors Wal-Mart's business practices. "If Wal-Mart and the Walton family were truly committed to improving worker conditions in factories such as this one, the company would be willing to change its excessive demands and spend the money required to ensure fair working conditions."

"Sweatshop Solutions?" is based on in-depth interviews with over 90 workers carried out by a Bangladeshi non-governmental labor research organization on behalf of SweatFree Communities from September of 2007 through September of 2008. "Sweatshop Solutions?" is available at: www.sweatfree.org/sweatshopsolutions.

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SweatFree Communities coordinates a national network of grassroots campaigns that promote humane working conditions in apparel and other labor-intensive global industries by working with both public and religious institutions to adopt sweatshop-free purchasing policies. Using institutional purchasing as a lever for worker justice, the sweatfree movement empowers ordinary people to create a just global economy through local action. Learn more at www.sweatfree.org.